

Attachment A – Combined Committee and Public Comments with Staff Responses

In response to the verbal and written comments received from the public and the advisory committees, staff has made appropriate revisions to the Implementation Plan that was presented to the advisory committees. The following is a summary of the issues and concerns raised during the review process and of the revisions that have been made to the final version of the Implementation Plan that is recommended for your Board's approval.

1. Topic: Retroactive rebates for homes that already meet conservation program standards.

Summary of Comments: Comments received on this issue varied. LOCAC and some individual verbal commenters requested that residents who have already installed water efficient fixtures be given rebates retroactively. The LOCSD recommended that these individuals receive some form of financial benefit, in recognition of their efforts, and WRAC supported additional rebates for additional conservation measures.

Response: Staff has considered this issue and identified several potential problems with providing retroactive rebates, including the following:

- Existing retrofits may have occurred as a result of other requirements, from which the property owner has already benefited, such as the retrofit on sale ordinance or retrofit credits required for new construction in Los Osos
- The ability to verify past costs and rebate eligibility is questionable
- Retroactive implementation is questionable with regards to activities that occurred prior to the effective date of the attached resolution.
- Retroactive rebates do not promote water conservation, since it does not result in any new water savings.

Nevertheless, Staff does agree with the comments to provide incentives for those who have already completed retrofits and the Implementation Plan has been revised to provide a rebate of up to \$300 for properties that currently meet the efficiency standards of the program and would not otherwise be eligible for new fixture rebates. The \$300 rebate amount can be used for additional water conservation measures, such as new washers or hot-water-on-demand appliances, but cannot be retroactively applied to fixtures that have already been installed. The intent of this revision is to further the conservation efforts in the community, rather than provide rebates for past efforts.

2. Topic: First year incentive for fixture rebates.

Summary of Comments: The rebate program is structured in order to provide rebates for the full cost of new fixtures and installation (\$250 per toilet) during the first year of the program. In subsequent years the rebate is for the cost of the fixture (\$160 per toilet), but not for installation costs. This structure is a result of the recommendations of the Planning Commission at the time the condition was developed for the Coastal Development Permit.

Comments received expressed concern that low income residents would not be able to afford to retrofit in the first year of the program and would then have a financial burden due to lower rebates in subsequent years. Some comments request that the higher rebates offered in the first year be extended throughout the program term.

Response: Staff does not recommend eliminated the first year incentive. The rebates are structured to cover the full cost of the fixture and installation, if residents participate in the first year of the program. This was the intent of the discussions in the Planning Commission hearings in order to achieve the earliest and highest water savings with the conservation program. Since the rebates cover the full cost of the fixture and installation, it does not create a financial burden on residents. Additionally, staff has coordinated with the County Auditor's office to confirm that rebate checks can be issued within two weeks of receiving a complete rebate application. This arrangement will allow for property owners to receive rebate funds before payment is due on the invoice from their plumber, which is typically thirty days.

3. Topic: Rebates for 1.6 gallons per flush (gpf) toilets.

Summary of Comments: Toilets that are rated for 1.6 gpf are not required to be retrofitted in the conservation program. Comments were received that some wish to voluntarily replace these toilets and that older toilets may no longer function as designed and use higher volumes of water.

Response: The Implementation Plan has been revised to provide rebates for 1.6 gpf toilets, provided that they are replaced with toilets rated at 1.0 gpf or less. Replacement of 1.6 gpf toilets remains a voluntary action and is not required by the Implementation Plan.

4. Topic: Estimated staff costs for administration, public education, and water use surveys.

Summary of Comments: The Implementation Plan includes budget estimates for administration and non-infrastructure conservation measures such as rebate processing, inspections, and water use surveys. These tasks are anticipated to be completed by County staff or contracted consultants. Comments were received that expressed concern that too much of the budget was for staff costs and that more funds should be directed to new water efficient fixtures and appliances.

Response: The budget in the Implementation Plan was revised in several ways to reduce staff costs for administration and other conservation measures in order to provide more rebate funds for installing new fixtures and appliances. The revisions resulted in administration costs being reduced to 15% or less and the estimated costs for water use surveys being reduced by over half. The following are some of the key changes reflected in the revised Implementation Plan budget.

- Compliance inspection estimates reduced by allowing licensed plumbers who install the new fixtures to certify compliance.

- Water usage survey estimates reduced after reviewing cost assumptions. Original assumptions included multiple hours of administrative time per survey to schedule appointments and log data. Original assumptions also provided for a team of two staff members to conduct each survey. The revised budget assumes one staff member to conduct each survey.
- Additional budget was provided for rebates to account for increased participation due to rebates available for those who voluntarily replace 1.6 gpf toilets with 1.0 gpf or less toilets.
- Additional budget was provided for rebates to account for increased participation due to \$300 rebate for those who already meet conservation program standards.

5. Topic: Requirement for water use surveys.

Summary of Comments: The Implementation Plan includes the conservation measures of residential and commercial water usage surveys. It is also proposed that each property participate in the surveys as a condition of connection to the wastewater project. Comments received expressed concerns for individual privacy and a generally unwillingness of some residents to participate in such a survey.

Response: The water usage survey presented in the Implementation Plan is a water conservation measure that evaluates a property for leaks, completes a questionnaire on typical water use, and provides recommendations on methods to reduce water consumption. If a property owner or resident objected to allowing a surveyor in their home, an effective survey and questionnaire can be completed from outside the home, thereby maintaining privacy. Removing the requirement for participation in a water survey prior to connection to the wastewater project would reduce the effectiveness of this measure and is not recommended. However, changing this to a voluntary measure is not expected to jeopardize the overall effectiveness of the conservation program.

6. Topic: Verification Inspections.

Summary of Comments: The implementation Plan calls for pre-retrofit and post-retrofit inspections to verify whether fixtures being removed and installed are eligible for rebates. Comments were received that expressed concerns that inspections are too costly and intrusive, and that residents should be allowed to self verify.

Response: Inspections are needed to verify eligibility for rebates in order to prevent fraud or abuse of the program, and to ensure that residents do not incur unnecessary costs for which they will not receive a rebate. They are also necessary to document compliance to the Coastal Development Permit conditions. The plan does allow licensed plumbers who install the water saver fixtures to complete the County supplied rebate form and to certify the eligible retrofit work. Since the costs of installation by a licensed plumber are covered in the rebate amount, it is expected that many property owners would take advantage of this feature, which would result in a significant cost savings and reduce inconvenience for residents.

7. Topic: Groundwater Basin Management.

Summary of Comments: Comments were received that expressed concern that water conservation will not save the groundwater basin from sea water intrusion and that a goal lower than 50 gallons per person per day of indoor use be pursued. The comments request that the required \$5 million of funding required by the Coastal Development Permit condition be directed to more aggressive conservation measure, beyond the established goal.

Response: Water conservation is a condition of the project Coastal Development Permit that was established to reduce wastewater flows and mitigate the disposal challenges of the project, which is the nexus between the wastewater project and water consumption. Conservation will also help reduce demand on the ground water basin and support basin management efforts, but is not intended to be the sole solution for the basin water supply problems. The conditions established in the CDP do not support a more broad-based program, and the funding must be applied where there is a nexus to project requirements.

8. Topic: Water Purveyor Consultation.

Summary of Comments: Comments received express concern that the Implementation Plan is not aligned with the goals or needs of the water purveyors, that the County did not work with the purveyors to develop the plan, and that the County should delay efforts until further consultation is completed.

Response: The Implementation Plan is based on the 2011 water demand and conservation analysis prepared by Maddaus Water Management under the direction of the Los Osos water purveyors. Maddaus also prepared the Implementation Plan. The County has coordinated with the water purveyors and reached a consensus that the most aggressive conservation program in the 2011 report be used as the basis for the Implementation Plan. The measure recommended in the Implementation Plan are the same as are recommended in the 2011 report prepared for the water purveyors.

9. Topic: Current Water Demand Assumptions.

Summary of Comments: Comments received assert that the data used as a basis for the conservation planning is outdated and that current indoor usage is already approaching the 50 gallons per person per day level, and as a result, the conservation goal of 50 gallons per person per day of indoor use be revised.

Response: The goal of 50 gallons per person per day is a requirement of the Coastal permit and is not tied to a specific per-capita reduction in consumption. Additionally, the water demand analysis used as a basis for the Implementation Plan was developed by the same consultant, Maddaus Water Management, under the direction of the Los Osos water purveyors in 2011, and there is no evidence to support the claim that it is outdated.

The engineers analyzed water data through 2010 and based their current demand estimates on several, documented assumptions. Since that analysis was completed, data from only one water year, 2011, has become available and it is consistent with previous years. Our review of the water purveyor demand indicates that the overall demand has been trending down for several years. However, winter time water usage, a reliable indicator of indoor demand, has remained relatively constant. This is consistent with recent changes in Los Osos, where a new tiered water rate structure has encouraged conservation, but indoor infrastructure has not been widely improved. The apparent result is a reduction in overall demand, potentially due to outdoor conservation, but little change in winter time usage.

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